ANNUAL REPORT

MAINE LABOR RELATIONS BOARD

Fiscal Year 2010

This report is submitted pursuant to 26 M.R.S.A. §§ 968(7) and 979-J(1) (2007).

Introduction

The mission of the Maine Labor Relations Board and its affiliated organizations, the Panel of Mediators and the State Board of Arbitration and Conciliation, is to foster and improve the relationship between public employees and their employers. The Maine Labor Relations Board ("Board") protects the rights and enforces the responsibilities established by the four separate labor relations statutes covering Maine's public sector employees. The Board does this by creating bargaining units, conducting secret ballot elections to certify, change or decertify bargaining agents, and processing prohibited practice complaints. The Panel of Mediators and the State Board of Arbitration and Conciliation provide dispute resolution procedures to assist parties in negotiating initial or successor collective bargaining agreements and in resolving contract grievance issues. The focus of this report is the activity of the Labor Board during the fiscal year.

During the past year, the Board had requests for services from most segments of the public sector that have statutorily conferred collective bargaining rights. Overall demand for the Board's services increased significantly compared with the previous year. The pervasive concern in the reporting period was the severe economic downturn and its impact on public finance. The other significant external factor affecting public sector bargaining in the last two years, the future structure and scope of K-12 educational units, was clarified this year when the voters rejected a Citizens Initiative seeking repeal of the school reorganization law. As noted in last year's report, uncertainty concerning the fate of the reorganization initiative concerned both labor and management and, while the parties continued to negotiate in good faith, they were very cautious about reaching agreement in such perilous times.

Members of the Board are appointed by the Governor, confirmed by the Legislature, and serve four-year terms. Public Chair Peter T. Dawson of Hallowell, Employer Representative Karl Dornish, Jr., of Winslow, Alternate Chair Barbara L. Raimondi of Auburn, and Alternate Employer Representatives Sandra S. Carraher of

Cape Elizabeth and Richard L. Hornbeck of Bowdoinham continued to serve in their respective capacities throughout the year. The term of office of each primary member and the terms of their respective alternate members expire on September 30 of successive years. The terms of office of the Employee Representatives expired this year. Governor Baldacci re-appointed Carol B. Gilmore of Charleston as the primary Employee Representative, and Wayne W. Whitney of Brunswick and Robert L. Piccone of Portland as Alternate Employee Representatives. In addition, the Governor appointed David C. Elliott of Whitefield, who served at the Legislative Office of Policy and Legal Analysis from 1981 to 2005, serving as Director for the last three years, to fill a vacancy as an Alternate Chair. The appointments were confirmed by the Legislature.

As in past years, the staff of the Board handled a great many inquiries from public employers and employees or their representatives, the media, and members of the public. The staff is the primary source of information for persons interested in the operations and procedures of Maine's public sector labor laws. In instances that involved matters over which the Board has no jurisdiction, the staff continued the policy of providing some orientation for the inquirer, suggesting other agencies or organizations that might be of help.

The Board's web site is the prime source for research of Board precedent, as the scope of collective bargaining issues addressed by Maine courts is quite limited and difficult to research on-line. Due to the retirement of a very old web server, the search engine used by the Board's web site was switched to one that is a little more cumbersome to use. While a bit more time consuming, complaints have been few as the search function still draws on an extensive database of the Board's prohibited practice and representation appeals decisions, as well as Superior and Supreme Judicial Court opinions reviewing the Board's decisions. Access to this case law helps public employers, employees and bargaining agents to know the parameters of required or permitted conduct and to use such information to avoid violating the law. The web site also includes links to the statutes administered by the Board, the complete text of the Board's Rules and Procedures, the Board's forms, a bulletin board of current activities, and links to other state and federal labor relations agency sites. Since its inception the web site has been maintained and updated by Board staff. Over the years, the web site has been highly praised by the labor-management community.

Legislative Matters

The most significant Legislative development this year was the review of the Board's operations and administration by the Joint Standing Committee on Labor, pursuant to the provisions of the Government Evaluation Act. This program review was conducted in conjunction with that of the operations of the Board's affiliated organizations, the State Board of Arbitration and Conciliation and the Panel of Mediators. The Executive Director and the Board staff also provide professional and administrative support to these bodies and their annual budgets are included with that of the Board. As required by law, a detailed report discussing the Board's programs was reviewed by the Labor Committee. The primary members of the Board attended the Labor Committee's Public Hearing on February 17, 2010, where the Executive Director briefed the Committee and responded to questions regarding the full range of our program. On February 22, 2010, the Labor Committee issued a unanimous report to the President of the Senate and the Speaker of the House, indicating that the Board was successfully discharging its statutory responsibilities and thereby concluding the GEA process.

A measure enacted this year, L.D. 570, amends the K-12 school reorganization law to permit the Commissioner of Education to approve a reorganization plan for forming a regional school unit ("RSU") or an alternative organizational structure ("AOS"). The new law contains provisions to clarify the formation of an AOS, including the requirement that a reorganization plan submitted by a prospective AOS must include a plan for adoption of consistent collective bargaining agreements among its constituent school administrative units ("SAU's"). In addition, the measure amends the collective bargaining provisions of the school reorganization law to provide equivalent collective bargaining treatment for persons whose positions are transferred from an SAU to the AOS.

Bargaining Unit and Election Matters

The most significant representation matter this year was the petition by the Maine State Employees Association (MSEA) to represent the nearly 600 adjunct faculty members employed by the seven-campus Maine Community College System (MCCS). The matter was significant not only due to the size of the unit but because it presented legal questions of first impression about the meaning of certain provisions of the University of Maine System Labor Relations Act. After three days of hearings, the

attorney examiner determined that the adjunct faculty were "regular" employees granted the right to collectively bargain under the Act, and that they could create a bargaining unit separate from the existing full-time faculty unit. The MCCS appealed the decision to the Board, which affirmed the decision.

The matter was also significant due to the question of when an election should be held for the adjunct faculty. The MSEA initially moved to have the election conducted prior to the end of the fall 2009 semester, before the hearing regarding the unit determination had been conducted and the unit determination rendered. This motion was denied by the Executive Director. The MSEA moved again to have the election conducted prior the end of the spring 2010 semester, after the MCCS had appealed the attorney examiner's decision but before the Board had ruled on the appeal. The Executive Director set a schedule for conducting the election before the end of the semester. Due to the expeditious manner in which the Board ruled on the appeal, the election was able to be conducted before the end of the semester. The MCCS did not appeal the Board's decision to Superior Court. The MSEA was certified as bargaining agent for the adjunct faculty bargaining unit after an election count conducted on May 3, 2010.

During fiscal year 2010, the Board received 31 voluntary agreements or joint filings for the establishment of or change in collective bargaining units. There were 15 of these filings in FY 09, 24 in FY 08, 16 in FY 07, and 24 in FY 06. Of the 31 FY 10 filings, 18 were for municipal or county government units, and 13 were for K-12 educational units. The unit agreements were filed by the following employee organizations:

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AFSCME Council 93
                                                            12 agreements
      (Pen.Cty.S.D. Line U. Correct. Div. Unit)
      (Pen.Cty.S.D. Line U. Law Enforce. Div. Unit)
      (Pen.Cty.S.D. S.O. Correct. Super. Unit)
      (Pen.Cty.S.D. S.O. Law Enforce. Super. Unit)
      (Ox.Cty. Comm. Supervisory Unit)
      (Ox.Cty. Comm. Employees Unit)
      (Cum.Cty.S.D. Employees Unit)
      (Waterville School Bus Drivers Unit)
      (South Portland City Bus Drivers Unit) (2)
      (South Portland Parks, Rec., etc., Unit) (2)
Maine Education Association/NEA
                                                             8
      (RSU #2 ESP Unit A)
      (RSU #2 ESP Unit B)
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(RSU #2 Professional Unit)	
(Boothbay-Boothbay Harbor School Secretaries)	
(RSU #13 ESP Unit)	
(RSU #13 Professional Staff Unit)	
(RSU #38 Professional Staff Unit)	
(RSU #38 Educational Support Staff Unit)	
<u>Teamsters Union Local 340</u>	6
(Rockport PWD Unit)	
Cum.Cty.S.D. Correct. Super. Unit)	
(South Berwick PWD Unit)	
(Biddeford Police Unit)	
(Calais EMT Unit)	
(Kennebunk Police Unit)	
Local Associations	2
(RSU #4 Administrators Unit)	
(RSU #11 Administrators Unit)	
American Federation of Teachers	1
(RSU #2 Professional Unit B)	
Maine State Employees Association	1
(Retirement System Pro-Tech Unit)	

Of the 31 filings, 8 were for new units, 12 were for changes to existing units, and 11 involved RSU bargaining units.

Twelve (12) unit determination or clarification petitions (submitted when there is no agreement on the composition of the bargaining unit) were filed in FY 10. Three (3) unit petitions (2 new petitions and 1 carried forward from FY 09) went to hearing; 3 decisions were issued. Agreements were reached in 10 cases, 1 unit was deemed appropriate, 4 petitions were withdrawn, and 2 are pending. Once a unit petition and response are filed, a member of the Board's staff, other than the assigned hearing officer in the case, contacts the parties and attempts to facilitate agreement on the appropriate bargaining unit. This involvement, successful in 50% of the cases this year, saves substantial time and litigation costs for public employers and bargaining agents. There were 13 unit petitions filed in FY 09, 7 in FY 08, 32 in FY 07, and 16 in FY 06. The unit determination/clarification requests were filed by the following employee organizations:

4 petitions
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4

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(Foxcroft Academy Ed Tech Unit)
(Boothbay-Boothbay Harbor Support Staff Unit)
(RSU #39 Teacher/Professional Unit)

Teamsters Union Local 340
(South Berwick Professional Unit)
(Calais EMS Unit)
(Rockport Public Works Unit)

Maine State Employees Association
(MCCS Adjunct Faculty Unit)
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After the scope and composition of the bargaining unit is established, either by agreement or by unit determination, a secret ballot bargaining agent election is conducted by the Board. An election is held to determine the desires of the employees, unless a bargaining agent is voluntarily recognized by the public employer. During FY 10 there were 13 voluntary recognitions filed, involving the following employee organizations:

Maine Education Association/NEA	8 voluntary recs.
(RSU #2 ESP Unit A)	•
(RSU #2 ESP Unit B)	
(RSU #2 Professional Unit)	
(RSU #13 Professional Staff Unit)	
(RSU #13 Education Support Personnel Unit)	
(RSU #16 Custodians Unit)	
(RSU #38 Professional Staff Unit)	
(RSU #38 Educational Support Staff Unit)	
Local Associations	2
(RSU #4 Administrators Unit)	
(RSU #12 Administrators Unit)	1
AFSCME Council 93	
(Waterville School Bus Drivers Unit)	
American Federation of Teachers	1
(RSU #2 Prof. Unit B (Dresden Teachers &	
School Nurse)	
Maine Association of Police	1
(Winslow Police Unit)	
*	

Eleven (11) bargaining agent election requests were filed in FY 10; 7 elections were held, including matters carried forward from FY 09, the bargaining agent was voluntarily recognized in 2 cases, 3 petitions were withdrawn, and 1 election matter is pending. The bargaining agent election petitions filed this year involved the following employee organizations:

Teamsters Union Local 340 4 petitions (Rockport Public Works Unit)

(South Berwick Public Works Dept. Unit)	
(Calais EMT Unit)	
(South Berwick Professional Unit)	
AFSCME Council 93	3
(Oxford County Comm. Dept. Supervisors Unit)	
(Oxford County Comm. Dept. Officers Unit)	
(Androscoggin County General Unit)	
Maine Education Association/NEA	3
(Foxcroft Academy Teachers Unit)	
(Foxcroft Academy Ed Tech Unit)	
(Boothbay-Boothbay Harbor School Secretaries Unit)	
Maine State Employees Association	1
(Me. Comm. College System Adjunct Faculty Unit)	

The employee organizations were certified as the bargaining agent in all cases.

In FY 09, there were 2 voluntary recognitions filed, 13 bargaining agent election requests received, and 12 elections held.

In addition to representation election requests, the Board received 4 requests for decertification/certification. This type of petition involves a challenge by the petitioning organization to unseat and replace an incumbent as bargaining agent for bargaining unit members. Four elections were held. The results of the decertification/certification petitions were as follows:

Petitioner (Bargaining Unit)	Incumbent Agent	<u>Outcome</u>		
Cumberland County Comm. Assn. (Communications Division)	AFSCME Council 93	13-1 for Assn.		
City of Portland Public Employees Association (City-wide Unit)	AFSCME Council 93	153-95 for AFSCME		
Lincoln County Communications Assn. (Communications Officers)	AFSCME Council 93	5-0 for Assn.		
Saco Public Works Association (Public Works Dept. Unit)	AFSCME Council 93	14-11 for Assn.		

The Board received no straight decertification petition in FY 10. In this type of petition no new union is involved; rather, the petitioner is simply attempting to remove the incumbent agent. Likewise, none were was received in FY 09. One disclaimer of interest was filed and granted. Disclaimers arise when a bargaining agent no longer wishes to represent a bargaining unit. In such cases, the bargaining agent files a request to disclaim

interest with the agency, which gives notice of such intent to the employees in the unit at issue and provides them with an opportunity to object to the request. If no employee objects, there is no collective bargaining agreement in effect, and the bargaining agent has no outstanding financial obligations for bargaining or contract administration activities regarding the unit, the disclaimer will be granted and the employee organization will not be permitted to attempt to represent the employees in the disclaimed bargaining unit for a one-year period from the granting of the disclaimer request.

There were 4 election matters carried over from FY 09; consequently, there were 19 such matters requiring attention during the fiscal year. This compares with a total of 22 in FY 09, 22 in FY 08, 39 in FY 07, and 25 in FY 06.

Dispute Resolution

The Panel of Mediators is the cornerstone of the dispute resolution process for public sector negotiations. Its importance continues to be reflected in its volume of activity and in its credibility with the client community. The activities of the Panel are summarized in this report and are more fully discussed in the Annual Report of the Panel of Mediators.

Interest mediation is the process through which State mediators assist parties in negotiating initial or successor collective bargaining agreements. The number of new interest mediation requests received during the fiscal year increased significantly. There were 64 new requests filed this year compared with 39 last year. In addition to the new mediation requests received during FY 10, there were 16 matters carried over from FY 09 that required some form of mediation activity during the year. Thus, the total number of mediation matters requiring the Panel's attention in this fiscal year was 73, up from 55 in FY 09.

The higher level of mediation activity this year was undoubtedly the result of the continuing economic downturn. Given the scarcity of resources required to meet demands, mediation was sought this year in localities where no intervention has been required in many years. In FY 09, faced with soaring energy costs, increases in the cost of health care, and declining revenues, many public employers sought to re-open current agreements or to negotiate no-change successor agreements, in efforts to avoid employee layoffs. In response, many bargaining agents agreed to re-openers or to one-year contracts that

continued current wages and benefits. With continued uncertainty in the national economy, parties have returned to the practice of negotiating multi-year agreements to provide predictability in the terms and conditions of employment, contributing to the increased demand for mediation.

All sectors experienced the fiscal impact of the great recession; however, bargaining activity in the school sector was suppressed last year due to the uncertainty regarding the future of the K 12 reorganization law. Resolution of that uncertainty by the voters in November and by the Legislature in their Second Regular Session, together with the difficulties experienced by the parties trying to harmonize the terms of separate unit agreements for newly-merged regional school unit bargaining units, contributed to even higher demand for mediation in the K-12 sector.

The settlement rate for cases where mediation was concluded this year, including carryovers from FY 09, increased significantly. This year's settlement rate was 82%. During the past 15 years, the settlement rate has ranged from 66.2% in FY 1996 to a high of 88.5% in FY 2005, with a mean of 80.7%. Fiscal issues, particularly general wage adjustments and health insurance financing, were the most difficult to resolve in Maine public sector negotiations this year and were the issues that usually led the parties to engage in mediation. Job security provisions, including issues relating to subcontracting unit work and reduction-in-force, were at issue in several mediations this year.

Fact finding is the second step in the three-step statutory dispute resolution process. In Fiscal Year 2010, 14 fact-finding requests were filed. There were 9 requests received in FY 09. Of the 14 cases, 4 requests went to hearing and decision. Six petitions were withdrawn or otherwise settled, and 4 are pending. In FY 09, 3 fact-finding hearings were held. The following employee organizations filed requests for fact-finding services this year:

Maine Education Association/MEA/NEA

(Auburn Teachers Unit)

(MSAD #13 ESP Unit)

(U/Maine Full-time Faculty Unit)

(Maine Community College System (2)

(MSAD #40 Teachers Unit)

(MSAD #59 ESP Unit)

(MSAD #6 Teachers Unit)

8 requests

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Teamsters Union Local 340

(York County Corr. & Comm. Unit)
(Falmouth Public Works Unit)
(Biddeford Bus Drivers Unit)

MSEA

(Maine Community College System Unit)
(Maine Legislative Employees Unit)

IAFF
(Biddeford Fire Unit)
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Interest arbitration is the third and final step in the statutory dispute resolution process. Under various public employee statutes administered by the Board and unless agreed otherwise by the parties, an interest arbitration award is binding on the parties on non-monetary issues. Unresolved questions concerning salaries, pensions and insurance are subject to interest arbitration, but an award on these matters is only advisory. The Municipal Public Employees Labor Relations Law, which applies to the overwhelming majority of bargaining situations, does not require parties to notify the Board when they are invoking mandatory interest arbitration. The law does require that arbitration awards be filed with the Board; however, they usually are not. This year, no interest arbitration decisions were received. While we assume that this means there were no interest arbitration awards in the public sector during the year, it may be that parties have simply failed to provide notification to the Board.

Prohibited Practice Complaints

One of the Board's main responsibilities in administering the public sector collective bargaining process is to hear and rule on prohibited practice complaints. Formal hearings are conducted by the full, three-person Board in such matters. Fifteen complaints were filed in FY 10. This represents a slight decrease over the FY 09 level. For the last six years, including the current year, the number of complaints filed each year has fluctuated from a low of 5 to a high of 24, with the mean being 15. Many of the complaints received during the past year charged interference, restraint and coercion regarding union activity.

In addition to the 15 complaints filed in FY 10, there were 12 carryovers from FY 09, compared with 16 complaints and 6 carryovers last year. Board panels conducted 1 evidentiary hearing during the year, compared with 1 in FY 09. The Board issued formal Orders in 2 cases and 1 Interpretive Ruling. Board chairs, sitting as prehearing officers, held conferences in 3 cases, compared with 4 in FY 09. Three cases are being held in

abeyance. Thirteen complaints were dismissed or withdrawn at the request of the parties, and two were dismissed by the executive director. Seven complaints await prehearing and/or hearing.

The Board issued a decision in only one case during FY 10, but held a two-day evidentiary hearing in another matter. In MSEA v. Duren, No. 09-06, the Board issued a decision dismissing the case on the basis of a stipulated record. The case was dismissed because it had not been filed within six (6) months of the alleged prohibited practice, as required by 26 M.R.S.A. §1029(2). The Board also received testimony over two days of hearing in MSEA v. State of Maine, Department of Public Safety, No. 09-10., a case involving a charge of direct dealing. The Board is preparing the decision as FY 10 comes to a close.

The executive director has continued to be actively involved settling prohibited practice cases through telephone conferences and personal meetings with the parties' representatives. The services of the executive director or a Board attorney are offered on the day of the hearing to attempt to settle cases. If the parties either decline the Board's offer or if the effort is unsuccessful, the Board members are present, ready to convene a formal evidentiary hearing.

Prohibited practice complaints, with the respondent noted in parenthesis, were filed by the following this year:

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7 complaints
MSEA
  (MSAD #13)
  (Poland School Comm. & Supt. Duquette)
  (Madawaska School Committee) (2)
  (RSU #2)
  (RSU #39)
  (RSU #5 and Supt. Welsh)
Individuals
                                                           3
  (University of Maine)
  (Frye Island)
  (University of Maine & AFUM)
IAFF
                                                           2
  (City of Portland)
  (City of Auburn)
MSTA
                                                           1
  (State of Maine)
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MSLEA	1
(State of Maine)	
State of Maine	1
(MSTA)	

Unit Appeals

The Board has the statutory authority to decide appeals of unit-related decisions issued by the Executive Director, such as unit determination, unit clarification, and election issues. This year, the Board issued two rulings related to an organization effort at the Maine Community College System. The MSEA filed a petition for a unit determination and a bargaining agent election for a unit of adjunct faculty members at the Maine Community College System. The Hearing Examiner concluded that the petitioned-for unit was an appropriate unit and ordered an election. The System requested a stay of the election until its appeal of the unit determination was resolved, but the Hearing Examiner held that the election should proceed as scheduled. On appeal, the board ordered the election to proceed as scheduled, contingent upon the Board's decision in the unit appeal being decided at least a week prior to the election. On the unit appeal, the Board upheld the creation of the new unit in a decision which offered the Board its first opportunity to interpret unique statutory language in the University of Maine System Labor Relations Act.

Interpretive Rulings

On June 3, 2010, the Board issued a decision denying a request for an Interpretive Ruling that had been filed by the Maine Community College System. The question involved the interplay of the State Employee Health Insurance Program established in 5 M.R.S.A. §285 with the provisions of the University of Maine System Labor Relations Act. The Board concluded that it was inappropriate to address the issue through an interpretive ruling.

Appeals

The Board decision in MSEA v. Lewiston School Department was appealed to Superior Court during FY 09 and the Court issued its decision upholding the Board decision early in FY 10. The case involved how to define the status quo that must be maintained for health insurance premiums when the collective bargaining agreement has

expired and the parties are negotiating a successor agreement. The employer's position was that it should continue paying the same dollar amount it was paying at the expiration of the agreement. Board held that, in light of the language in the agreement, the employer was required to continue to pay the same proportion of the health insurance premium that it had been paying.

Summary

The following chart summarizes the filings for this fiscal year, along with the previous five years and percent change from year to year:

	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Unit Determination/ Clarification Requests		+100%	+100%	-78%	+85%	-7.7%
Number filed—	8	16	32	7	13	12
Agreements on Bargaining Unit		+14.3%	-333%	+50%	-40%	+106.7%
(MLRB Form #1) Number filed–	21	24	16	24	15	31
Voluntary Recognitions (MLRB Form #3)		+200%	-33.3%	-50%	+100%	+550%
Number filed–	1	3	2	1	2	13
Bargaining Agent Election Requests		+77%	+93.7%	+64.5%	+15.4	-15.4%
Number filed—	9	16	31	11	13	11
Decertification Election Requests		-66.7%	-100%	+100%	-100%	0%
Number filed–	3	1	0	1	0	0
Decert./Certification Election Requests		+150%	-20%	+25%	-20%	0%
Number filed—	2	5	4	5	4	4
Mediation Requests Number filed		+5.4%	-18.96%	-14.9%	-25%	+64%
rumber med	55	58	47	40	39	64
Fact-Finding Requests		-7.7%	0%	-66.6%	+111%	+55.6%
Number filed–	13	12	12	4	9	14
Prohibited Practice Complaints		+100%	-25%	-72.3%	+200%	-6.25%
Number filed—	12	24	18	5	16	15

The above table indicates that the demand for the Board's different services generally increased during the fiscal year, reflecting the severe economic downturn. The

agency's leading business indicator, the level of demand for interest mediation, reflects the difficulty in concluding agreements in the current economic climate as well as the increased complexity of negotiation implementing K-12 reorganizations. For the past several years we have been predicting that public sector organizational activity may be nearing the point of saturation, given that the Board has been in existence since 1969 and many units, particularly education and firefighter units, predated the establishment of the agency. As the number of organized employees approaches the universe of those eligible, the number of new units created each year will decline. As predicted last year, there was a decrease in organizational activity this year.

During FY 10, public sector labor-management relations in Maine continued to mature, with parties relying on the statutory dispute processes to settle their differences. The development of more mature labor relations is evidenced by the strong demand for mediation services and the continued willingness by the parties to settle prohibited practice complaint cases. In sum, the Board's dispute resolution services fostered public sector labor peace during this very difficult and challenging year.

Dated at Augusta, Maine, this 30th day of June 2010.

Respectfully submitted,

Mana D. Aaratta

Marc P. Ayotte
Executive Director
Maine Labor Relations Board